

Key Management Personnel Incentive Remuneration Hedging Policy

POLICY STATEMENT

VRL's KMP and their Closely Related Parties are prohibited from Hedging any incentive Remuneration including any Equity Award granted to them. This prohibition includes Hedging which limits the exposure of that KMP to economic risk relating to Unvested or Restricted Remuneration.

BACKGROUND, SCOPE AND PURPOSE

The Corporations Act has a hedging restriction from 1 July 2011 which applies to all incentive performance-based Remuneration including existing or future Equity Awards and any other performance-based incentive pay, such as bonuses, for VRL's Key Management Personnel.

The Hedging restriction also applies to a KMP's closely related parties. VRL's KMP (and their Closely Related Parties) are prohibited from entering into arrangements that limit the exposure of the KMP to risk relating to an element of Remuneration that:

- has not vested (including Remuneration which is not payable until a particular day); or
- has vested but remains subject to a holding lock.

PERSONS TO WHOM THIS POLICY APPLIES

This Policy applies from 1 July 2011 to all of VRL's Key Management Personnel being all VRL Directors and all members of VRL's Executive Committee.

RESPONSIBILITIES OF KMP

VRL's KMP shall ensure that they comply with this Policy and uphold it's aim and purpose.

Any KMP or their Closely Related Parties found to have breached this Policy may be subject to disciplinary action by VRL.

KMP who contravene this policy may be committing an offence under the Corporations Act. KMP may also commit an offence if a Closely Related Party hedges a KMP's Equity Award and if the KMP is reckless as to the contravention. A KMP's Closely Related Party who intentionally contravenes the prohibition may also be committing an offence.

REVIEW

This Policy shall be made available to VRL's KMP and to any incoming member of VRL's KMP upon appointment. In addition this Policy shall be made available internally on VRL's intranet and a summary provided on VRL's website. A summary of this Policy shall be made in VRL's annual report.

This policy shall be reviewed from time to time and updated as required.

DEFINITIONS

Unless otherwise defined, terms used in this Policy have the meaning given to them in the Corporations Act.

‘Closely Related Parties’ of a KMP of VRL means:

- a spouse or child of the KMP;
- a child of the KMP's spouse;
- a dependent of the KMP or of the KMP's spouse;
- anyone else who is one of the KMP's family and may be expected to influence the KMP, or be influenced by the KMP, in the KMP's dealing with VRL;
- a company the KMP controls; or
- a person prescribed by the Corporations Act Regulations for the purpose of this definition.

‘Equity Award’ means an award of VRL Securities or an entitlement to a monetary equivalent of VRL Securities as part of a KMP's Remuneration.

‘Executive Committee’ means those members of VRL's executive management that serve on the Executive Committee of the VRL Board as constituted from time to time.

‘Hedging’ means the entering into of any derivative, swap, forward contract, futures contract, contract for difference, hedging transaction or any other arrangement, contract or transaction by a KMP or their Closely Related Parties for the sole or dominant purpose or that has the effect of limiting or eliminating the economic risk of an element of that KMP's Remuneration which is Restricted or Unvested. It includes the risk associated with Unvested Equity Award entitlements held by or on behalf of a KMP and includes but is not limited to those transactions transferring some or all of the risk of fluctuations in the value of VRL's Securities to another party and includes Hedging arrangements as may be set out from time to time in the Corporations Act Regulations.

‘Restricted’ means Remuneration subject to disposal restrictions imposed by VRL including any Equity Award the subject of a holding lock.

‘Key Management Personnel’ (“KMP”) has the same meaning as given in the Corporations Act and includes all of VRL's Directors and all members from time to time of the VRL Executive Committee.

‘Remuneration’ means any incentive payments to a KMP by VRL or any of its controlled entities whether under a contract of employment or otherwise whether relating to a future or prior period of service of the KMP including but not limited to an Equity Award, bonus or other incentive Remuneration.

‘Unvested’ means Remuneration which is not payable until a particular future date whether the subject of specific performance conditions or not.

‘VRL’ means Village Roadshow Limited

‘VRL Securities’ is widely defined and includes ordinary shares and options issued by VRL, but also includes financial products such as debentures, bonds, warrants, hedges, put and call options, and other derivative products whether issued by VRL or by third parties or any other arrangements that reflect the movement in the value of VRL Securities.